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TRAVEL PRINTOUT

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DISCOVER AMERICA

U.S. Travel Data Center

Research News for the U.S. Travel Industry

April 1987 Volume 16, Number 4

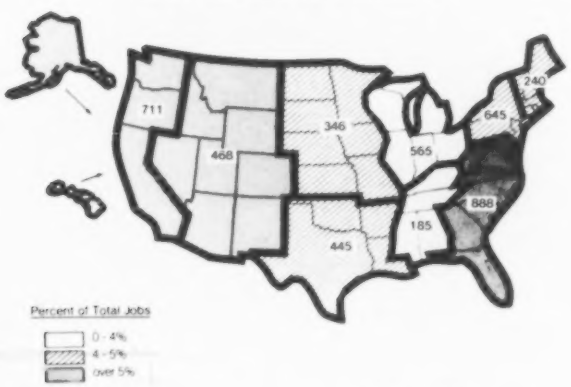
Travel Industry Sales Continue to Rise

Travel industry sales in 1987 are projected to increase 8 percent according to the 1986-87 Economic Review of Travel In America, a report released by the US Travel Data Center.

While travel business receipts for air, bus and rail transportation; lodging; foodservice; and amusement and recreation services rose almost 7 percent in 1986, levels of jobs, income and business activity are still rising and should continue to boost business and leisure travel this year.

The report, widely accepted as a key reference to the travel industry, also calculates that domestic airline passenger travel will grow 8 percent, and personal motor vehicle travel will rise 3.3 percent in response to stable gasoline prices and improvements in the average fuel efficiency of the nation's automobile fleet.

EMPLOYMENT GENERATED BY U.S. TRAVELERS IN U.S. REGIONS, 1984 (thousands)



Source: U.S. Travel Data Center

Hotel and motel receipts are projected to rise at the same rate as 1986, 9 percent. If viewed as a single retail industry, according to the report, the travel and tourism sector is the third largest retail industry in business receipts (after automotive dealers and food stores), a position it has maintained since 1983, when auto sales

continued on page 3)

Travelers spend $269 Billion on US Trips

Residents of the U.S. and foreign visitors spent $269 billion on traveling in America and its territories during 1986.

These preliminary estimates and other measures of travel's economic significance are contained in TravelTab 1987, a quick reference guide to current travel trends released by the US Travel Data Center.

Travel spending by residents and foreign visitors directly generated 5.2 million jobs in 1986, paying nearly $58 billion in wage and salary income and producing $34 billion in federal, state and local taxes, as well.

While Americans increased domestic travel spending 6 percent over the previous year, foreign visitors' expenditures in the U.S. grew nearly 9 percent in 1986.

TravelTab 1987 is a six-panel brochure on the volume and impact of travel to, from and within the U.S. It is available for $4.00 prepaid from the US Travel Data Center, 1899 L Street, NW, Washington, DC 20036. ##

Travel Prices Surge in February

Rising motor fuel prices led to a 0.8 percent increase in the February Travel Price Index (TPI) compiled by TIA's research affiliate, the U.S. Travel Data Center.

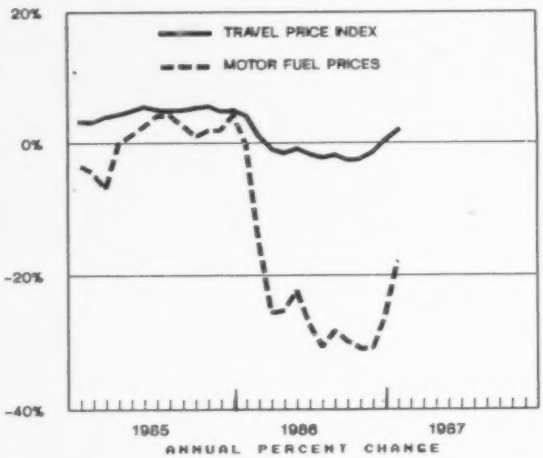
The TPI, which measures changes in the seasonally unadjusted prices of lodging, food, transportation and other goods and services purchased by Americans traveling away from home in the United States, climbed to 390.8 (1967=100) in February.

For comparison, overall consumer goods and services costs, as measured by the Consumer Price Index (CPI), rose 0.4 percent in February.

As in the previous month, motor fuel led all price advances with a 4.6 percent increase in February. Lodging prices followed with a 0.7 percent gain, while "other intercity transportation" (rail and bus fares) showed the only decline, 0.4 percent. The other components rose less than 0.5 percent for the month.

The TPI has risen 2.0 percent over the past twelve months, while the CPI has gained 2.1 percent. A 17.9 percent decrease in fuel prices is the main factor keeping travel costs down over the period.

Airline fares have led all other components with a 5.9 percent gain since February 1986.##



Monthly and Annual Rates of Change in the Travel Price Index and Components

February 1987

TPI Component	Monthly Percent Change January 1987 to February 1987	Annual Percent Change February 1986 to February 1987
Transportation	2.6	-7.6
Airline Fares	0.3	5.9
Other Intercity Trans.	- 0.4	2.1
Intracity Public Trans.	0.3	2.5
Motor Fuel	4.5	-17.9
Lodging	0.7	5.7
Food and Beverages Away From Home	0.3	4.3
Entertainment	0.4	4.8
TRAVEL PRICE INDEX	0.8	2.0
CONSUMER PRICE INDEX	0.4	2.1

Source: US Travel Data Center and U.S. Bureau of Labor Statistics

TRAVEL PRINTOUT is published monthly by an affiliate of Travel Industry Association of America, the U.S. Travel Data Center, the national non-profit center for travel and tourism research. 1899 L Street, NW, Washington, DC 20036. Telephone number, (202) 293-1040. Dr. Douglas C. Frechtling, Director. Ida Simmons, Editor. ISSN: 0744-6233.

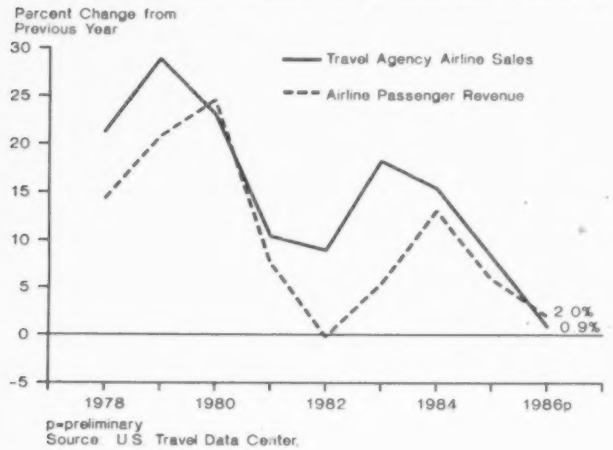
TRAVEL PRINTOUT reports on the results of Data Center projects, national travel research conducted by other respected organizations, and trends in the U.S. travel industry. Subscriptions are available for $55 per year, U.S., Canada and Mexico; other foreign countries, $65 per year, payable in U.S. funds only.

The U.S. Travel Data Center is an affiliate of the Travel Industry Association of America

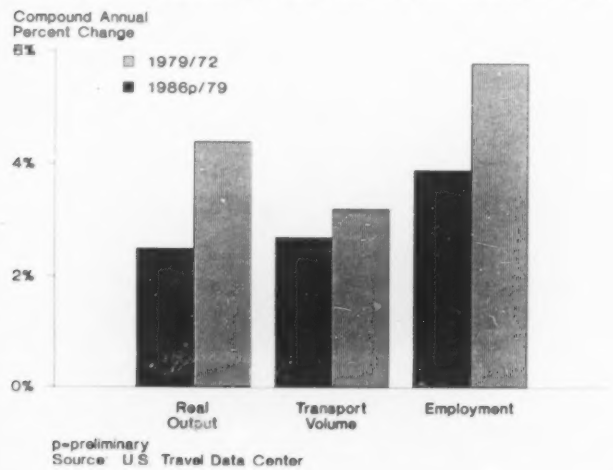
Travel Industry Sales (Continued from page 1)

pushed travel spending out of second place.

TRAVEL AGENCY SALES HAVE SLOWED RECENTLY



TRAVEL INDUSTRY GROWS MORE SLOWLY NOW



The report also estimates that the negative impact of the Tax Reform Act of 1986 on the travel industry is balanced by the positive effects, as increased consumer disposable income for spending on travel and other discretionary items mitigates the reduction in business travel and entertainment expenditures.

The 80-page report contains charts, tables and narrative on trends in travel and tourism and their impact on the U.S. economy from 1973 to the present, and includes chapters on international visitors and regional visitation patterns.

The 1986-87 Economic Review of Travel in America is available for $48.00 prepaid from the US Travel Data Center, 1899 L Street NW, Suite 610, Washington, DC 20036. ##

US Travel Data Center Offers Free 1987 Program Guide

The US Travel Data Center offers a free 1987 Guide to Programs, Membership and Publications upon request. The 32-page guide details the Data Center's 1987 research program and describes publication and membership benefits.

The "1987 Program" section of the guide confirms the Data Center's intention to reschedule its quarterly National Travel Survey reports by year's end. Following the first and second quarter reports from the ongoing monthly telephone survey, the series will switch to seasonal reports beginning with a summer quarter National Travel Survey report (covering June, July and August 1987) to be released in the fall.

For a free 1987 Guide to Programs, Membership and Publications, address requests to the US Travel Data Center, 1899 L Street NW, Washington, D.C. 20036, or phone 202/293-1040.##

Travel Outlook Forum 1988 Focuses on the Changing Marketplace

Sandra Shaber, formerly of Chase Econometrics, will headline the 1988 Travel Outlook Forum program on October 27, 1987, at the Nugget in Reno.

The Travel Outlook Forum, co-sponsored by the Travel and Tourism Research Association, will focus on "Growth Opportunities in the Changing Marketplace." ##

Fourth Quarter 1986 Posts Increase in Travel

According to the 1986 National Travel Survey Fourth Quarter Report, prepared by the US Travel Data Center, Americans took 278 million person-trips, up from 262 million in fourth quarter 1985. (A person-trip is measured each time anyone goes 100 miles or more away from home.)

The report shows that vacation travel in October, November and December 1986 rose 8 percent.

Weekend travel increased faster than travel overall, gaining nearly 13 percent over 1985 levels.

Pleasure travel increased 10 percent during the fourth quarter 1986 due to a surge in "other pleasure"travel for sightseeing, outdoor recreation, and entertainment. Travel for these purposes grew by 23 percent, while travel to "visit friends and relatives," which comprised 60 percent of all fourth quarter 1986 pleasure travel, rose just 3 percent.

The average domestic round-trip distance rose 70 miles to 990, while the average duration fell from 5.3 nights in 1985 to 4.7 nights in 1986.

The South Atlantic census region attracted the largest share of the fourth quarter's travelers, 24 percent, and also produced the highest proportion of travelers, 20 percent. The East North Central census region followed closely with 17 percent.

The 1986 National Travel Survey Fourth Quarter Report is available for $75 prepaid from the US Travel Data Center, 1899 L Street, NW Washington, D.C. 20036.##

Survey of Business Travelers Continues a Second Year

Widespread interest in the Travel Weekly / US Travel Data Center 1985/86 Survey of Businesss Travelers prompted Murdoch Magazines, which publishes Hotel/Motel Index and Travel Weekly,to sponsor another survey of business travelers.

The second study, based on a telephone survey of 3,700 business travelers conducted by the Data Center over a twelve month period, will further explore business travel.

According to Bill Niles, research director for Murdoch Magazines,the first study "defined the size of the market, and the second will investigate reasons for travel, and how market segments select airlines, rental cars and lodgings."

The survey, to be released in the spring of 1988, will report information on a calendar year basis. Individual questions can be included in the survey by calling the assistant director, US Travel Data Center, 202-293-1040.##

Hospitality in Transition Evaluates Future for Hoteliers

Hospitality in Transition by Albert J. Gomes, senior principal of Pannell Kerr Forster, is a detailed account of the lodging industry's evolution and a chart for its future.

The report, published by the American Hotel and Motel Association (AH & MA), provides the lodging industry with a perspective on its relationship to economic factors. For example,the top 25 hotel chains control slightly more than 50 percent of the total number of 2.75 million hotel/motel rooms.

The report is an excellent historical resource as well as a model for evaluating the future and pinpointing the most likely factors affecting hoteliers.

Hospitality in Transition is available from the Publications Department, American Hotel & Motel Association, 888 Seventh Avenue, New York, New York, 10106, for $35 each to American Hotel & Motel (AH & MA) members, $45 each for non-members, plus $5 for shipping/handling. New York residents add tax.##

Director Reviews Accomplishments of US Travel Data Center

Editor's Note: TRAVEL PRINTOUT (TP) interviewed former Data Center Director Dr. Douglas C. Frechtling on April 16, 1987, the eve of Frechtling's departure from the organization he had guided since its beginning.

TP: Many members of the industry have never thought of the US Travel Data Center without Doug Frechtling at the helm. How would you like to be remembered by that organization?

Frechtling: The Data Center was founded as a non-profit research organization in 1973 by the Travel Industry Association of America with contributions from the U.S. Travel and Tourism Administration (then called the U.S. Travel Service), and 29 state travel development offices. I would like to be remembered as helping establish the Data Center when I was a vice president of the Travel Industry Association, and directing the Data Center for its first fourteen years.

TP: What, in your opinion, are the Data Center's major achievements under your direction?

Frechtling: There are two unique accomplishments that should be remembered, the Travel Economic Impact Model and the National Travel Survey.

One, we created the world's first economic model to estimate the contribution of travel away from home in each state and county in this country. Initially, this project was funded by the Data Center itself; then, in 1975, the US Department of the interior awarded us a contract which allowed us to pull all of the earlier work together into a working model.

Two, we have established the longest continuing survey of the American traveling public, the National Travel Survey. We started this monthly telephone survey in March of 1979 and are pleased that our researchers have been in the field every month since then.

These two programs have helped establish travel and the industry that serves it as a vital American lifestyle and economic activity.

TP: How long did you work on the Travel Economic Impact Model?

Frechtling: The model was about two years in the making, undergoing an extensive revision in 1977. Of course, we have revised and refined it since then. In all, the model cost about $150,000 to complete. The Department of Interior contributed about $35,000 of the cost.

DOUGLAS FRECHTLING PH.D.
Director of US Travel Data Center 1973-1987

TP: For years, you've had a mountain-top vista on the industry. From your perspective, where is the travel business going from here?

Frechtling: The results of my last report for the Data Center, the 1986-87 Economic Review of Travel in America indicate the industry growth rate is slowing down; it has become a mature industry. Fewer Americans now view travel as the superior use of their leisure time than they did a decade ago.

TP: What can the industry do to improve its marketing of travel?

Frechtling: The industry should have two additional ongoing studies, in my opinion.

(Continued on page 6)

US Travel Data Center Reviews Terminology for Statistical Reporting

Adopted by the Board of Trustees of the
U.S. Travel Data Center
December 13, 1985

1."Travel Industry" - an inter-related amalgamation of those businesses and agencies which totally or in part provide all means of transport, goods, services, accommodations and other facilities for travel out of the home community for any purposes not related to local day-to-day activity.

2."Travel"-The action and activities of international and domestic travelers (as defined below) taking trips to a place or places outside of their home communities for any purpose except daily commuting to and from work or attending school.

3."Tourism"--synonymous with "travel."

4."International Traveler"-any person visiting a country other than that in which he(she) has his (her) usual place of residence, for not more than one year, and whose main purpose of visit is other than following an occupation remunerated from within the country visited, staying at least 24 hours, but not more than one year, in the country visited and the purpose of whose trip can be classified under one of the following headings:

sport	health	study
pleasure	religion	business
recreation	shopping	commerce
holiday	vacation	meetings

convention /trade show
visiting friends/relatives

5."International Excursionist"- travelers, as defined in 4 above, staying less than 24 hours in the country visited (including cruise passengers).

6."International Tourist" - synonymous with "international traveler."

7."Domestic Traveler" - any resident of the United States regardless of nationality who travels to a place 100 miles or more away from home within the U.S. or who stays away from home one or more nights in paid accommodations and who returns home within twelve months, except commuting to and from work or attending school. This includes trips that can be classified under one or more of the headings listed in definition 4.

8."Domestic Excursionist"- any person who travels more than 25 miles away from home one way but less than 100 miles and returns home the same day for any purpose except commuting to and from work or attending school, including trips that can be classified under the purposes defined in 7 above.

Director (Continued from page 5)

First is an annual expenditure study. It would report the spending patterns of various segments of Americans traveling away from home as they purchase transportation, food, lodging and other goods and services. The last study is 10 years old.

Second is a monthly report of travelers' expenditures. These figures should be reported to the business press in the same way that other economic indicators are reported such as retail sales and manufacturing output. This would improve recognition of the travel industry in the U.S. economy.

The Data Center has been talking about the need for these two studies for some time; however, as we have discovered over the past 14 years, it is difficult to get funding for research that benefits the industry as a whole.

TP: You began your career in the federal government, then moved to the non-profit sector. What is next?
(Continued on page 7)

Travel Rises in January 1986

Travel during January 1987 increased 4 percent over last year's levels, according to the latest National Travel Survey conducted by the US Travel Data Center.

Travel by Americans in January rose to almost 65 million person-trips, nearly 2 million more than were recorded in the same month of 1986.(A person-trip is measured each time anyone goes 100 miles or more away from home.)

The monthly telephone survey reported that while pleasure travel gained 4 percent over January 1986 levels, business/convention travel jumped 19 percent.

Auto/truck/RV travel fell slightly and air travel rose 16 percent.

Trips in January 1987 averaged 980 domestic round-trip miles, and 4.5 nights, both less than a year ago.

The increase in the number of persons spending at least one night away from home, combined with more business and air travel, boosted hotel/motel use considerably, and travelers used the homes of friends and relatives less often than last year in January. ##

The forecast of summer vacation travel in 1987 will be sent to full members on May 13, 1987 by the US Travel Data Center. ##

Director (Continued from page 6)

Frechtling: On April 20, I will become president of Guest Plus, a new club for upscale travelers. Guest Plus provides special services at more than 50 of the leading luxury hotels in this country, plus other travel benefits. The company is based in Washington at 1000 16th Street, N.W., Ste. 415, Washington, D.C. 20036. Phone 202/331-0708.

TP: Any regrets about leaving the Data Center?

Frechtling: The Data Center now has the best staff it has ever assembled, and I will always remember staff members first when I think of my years there. They are well-equipped to carry forward the work begun in 1973. ##

Visitor Volume at National Parks

Region	JAN 1987 visits*	Change from JAN 1986 (percent)	Percent change 1987/1986 Year-to-Date
NEW ENGLAND	212,711	1.6	1.6
MIDDLE ATLANTIC	833,864	19.1	19.1
SOUTH ATLANTIC	2,844,300	-10.3	-10.3
EAST SOUTH CENTRAL	1,354,561	-2.1	-2.1
EAST NORTH CENTRAL	186,535	-27.5	-27.5
WEST NORTH CENTRAL	155,730	10.4	10.4
WEST SOUTH CENTRAL	393,752	-.2	-.2
MOUNTAIN	1,171,931	1.4	1.4
PACIFIC	2,678,830	2.2	2.2
TOTAL	9,832,214	-2.0	-2.0

* adjusted for differences in reporting units

States comprising the Census regions:

NEW ENGLAND: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont. **MIDDLE ATLANTIC**: New Jersey, New York, Pennsylvania. **SOUTH ATLANTIC**: Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia. **EAST SOUTH CENTRAL**: Alabama, Kentucky, Mississippi, Tennessee. **EAST NORTH CENTRAL**: Illinois, Indiana, Michigan, Ohio, Wisconsin. **WEST NORTH CENTRAL**: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota. **WEST SOUTH CENTRAL**: Arkansas, Louisiana, Oklahoma, Texas. **MOUNTAIN**: Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming. **PACIFIC**: Alaska, California, Hawaii, Oregon, Washington.

Current Travel Indicators

Current Travel Indicators

	Current Month	Current Value	Percent Change From Previous Month	Percent Change From Year-ago Month	Percent Change Year-to-date 1986/85
Establishment receipts or retail sales					
Hotels, motels and other lodging places(1)	Jan	$ 3,616 million	26.9	9.7	9.7
Eating and drinking places(2)	Jan	$12,842 million	0.6	10.8	10.8
Gasoline service stations(2)	Jan	$ 6,950 million	2.0	-16.9	-16.9
Commercial lodging demand					
Hotel/motel occupancy rate(3)	Jan	61.9 percent	-4.8	0.2	0.2
Real demand for commercial lodging(4)	Jan	45.6 million	11.6	4.7	4.7
Airline passenger traffic(5)					
Domestic revenue passenger-miles	Dec	24.4 billion	7.0	6.7	10.6
International revenue passenger-miles	Dec	5.0 billion	9.1	5.4	-2.5
Highway traffic volume(6)					
Rural arterial vehicle-miles	Jan	32.4 billion	-14.1	4.2	4.2
Rail passenger traffic(7)					
Amtrak passenger miles	Jan	358.7 million	-20.0	2.5	2.5
Travel Price Index(8)	Jan	387.6 million	2.3	0.4	0.4
U.S. resident travel(9)					
Total person-trips	Dec	94.8 million	0.1	15.0	4.1
Vacation person-trips	Dec	67.2 million	6.2	8.7	3.1
Total person-nights	Dec	455.0 million	6.8	-1.4	-1.4
Vacation person-nights	Dec	369.6 million	12.3	-3.5	0.1
Public use of national parks(10)					
Visits	Jan	10,154,008	-10.7	-11.0	-11.0
Overnight stays	Jan	436,996	5.4	8.7	8.7
Foreign arrivals in U.S.(11)					
From overseas	Jan	634,393	-14.7	15.9	15.9
From Canada	Jan	727,489	27.1	1.9	1.9
From Mexico	Jan	47,481	-41.7	-3.8	-3.8
U.S. citizen departures(12)					
To overseas	Dec	1,178,230	21.8	5.4	-3.6
To Canada	Jan	388,659	-24.6	9.6	9.6
Domestic demand for motor gasoline(13)					
Barrels per day	Jan	6,469 thousand	-8.6	-0.3	-0.3

N/A = not available

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(1) Source: Smith Travel Research, seasonally unadjusted. (2) Preliminary: adjusted for seasonal variation and trading day differences. Source: Bureau of the Census. (3) Source: Smith Travel Research, seasonally adjusted. (4) Source: Smith Travel Research, unadjusted room nights sold. (5) Preliminary: U.S. scheduled service air carriers. Source: U.S. Department of Transportation. (6) Source: Federal Highway Administration. (7) Source: National Railroad Passenger Corporation (Amtrak). (8) Source: US Travel Data Center and Bureau of Labor Statistics. (9) Source: US Travel Data Center. (10) Preliminary; unadjusted for differences in reporting units. Source: National Park Service. (11) Source: Statistics Canada and U.S. Travel and Tourism Administration. Mexican data reflect I94 arrivals only. (12) Source: Statistics Canada and Nettleton Research Center. (13) Preliminary; Source: U.S. Department of Energy.

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